Exemption to spinning mills

154. DR. ALLADI P. RAJKUMAR : Will the Minister of TEXTILES be pleased to state:

(a) whether Government is considering to exempt spinning mills to supply 50 per cent of their yarn output to Handloom Industry; and

(b) if so, the reasons therefore?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) and (b) No, Sir. However, the National Textiles Policy, 2000, *inter-alia*, provides for the review of Hank Yarn Obligation Order, 2000 after taking into account the needs of the handloom weavers.

Import of silk from China

155. SHRI RAMACHANDRA KHUNTIA : Will the Minister of TEXTILES be pleased to state:

(a) whether Government are aware that import of silk from China is causing hardship to the local farmers due to falling prices of the domestic produce; and

(b) if so, what steps Government have taken or propose to take to introduce a level playing field for the Indian farmers *vis-a-vis* Chinese imports?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) Yes, Sir.

(b) Government has been closely monitoring the imports of raw silk and silk fabrics, and the prices of cocoons and raw silk in the main domestic markets. Though quantity of imported raw silk has not gone beyond the estimated demand supply gap, in view of the increase in quantum over last year, the steadily declining prices, and its effect on the domestic market, Government has initiated investigations to ascertain if statutory provisions need to be invoked to raise tariff barriers. The Central Silk Board has also agreed to the request of Karnataka Silk Industries Corporation (KSIC) to make available to them a soft loan for purchase of bivoltine mulberry cocoons at reasonable prices to mitigate the hardship faced by sericulture farmers and silk reelers, subject to the State Government's Guarantee.